GOVERNMENT OF INDIA
MINES
LOK SABHA

STARRED QUESTION NO:483
ANSWERED ON:27.08.2001
DERESERVATION OF MINERAL BEARING AREAS
SUBODH MOHITE

Will the Minister of MINES be pleased to state:

(a) whether the issue of dereservation of mineral bearing areas which the State Governments have reserved for exploitation by public sector has been discussed during recently convened meeting of the Minister of Mining and Geology;

(b) if so, the outcome of the meeting;

(c) whether representations have also been received from the State Governments for revision of royalty rates of some minerals;

(d) if so, the details thereof; and

(e) the action taken thereon?

Answer

THE MINISTER OF MINES (SHRI SUNDAR LAL PATWA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED IN THE REPLY TO STARRED QUESTION NO.483 SLATED FOR ANSWER IN THE LOK SABHA ON THE 27TH AUGUST,2001 REGARDING DERESERVATION OF MINERAL BEARING AREAS.

(a) & (b): Yes, Sir. The Conference of State Ministers of Mining and Geology held on 14.7.2001 discussed the status of review of unexploited areas reserved for public sector exploitation. It was decided that the States would review the areas reserved under the erstwhile Rule 58 of Mineral Concession Rules,1960 and denotify areas not required for exclusive exploitation through Public Sector Undertakings. In case of remaining areas , State Governments would send full justification area wise for continuing with reservation to the Central Government within six months.

(c) to (e): Representations are received from time to time from various State Governments regarding revision of royalty rates of minerals. Under the provisions of Mines and Minerals(Development and Regulation)Act,1957, rates of royalty on minerals can be enhanced not more than once in a period of three years. The Central Government(Ministry of Mines) had recently revised the rates of royalty of major minerals(other than coal, lignite and sand for stowing) vide notification dated 12.9.2000. Ministry of Coal has revised the rates of royalty on lignite vide notification dated 15.3.2001, and has set up a Committee on 27.7.2000 under the Chairmanship of Additional Secretary (Coal) to make recommendations on the structure of rates of royalty on Coal, which were last revised on 11.10.94.